

REPORT

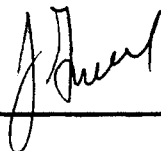
DATE: July 25, 2005

TO: Administration Committee
Regional Council

FROM: Heather Copp, CFO (213) 236-1804
Email: copp@scag.ca.gov

SUBJECT: Approval of Contracts Over \$250,000

EXECUTIVE DIRECTOR'S APPROVAL



RECOMMENDED ACTION:
Approve Contracts

SUMMARY:

- The following contracts are recommended for approval:

System Metrics Group, Inc.	NTE \$1,279,684
Fregonese Calthorpe Associates	NTE \$2,683,699

FISCAL IMPACT:

The Work Element is listed on the detail page for each contract. Included is the Work Element and category of funding, for example FHWA, FTA, indirect.

If a member believes or has a reason to believe that he or she has a financial interest in any of the firms listed on this Report, the member should consult with SCAG legal counsel.

CONSULTANT CONTRACT

Consultant:

System Metrics Group, Inc.

Scope:

As the designated Metropolitan Planning Organization (MPO) for the six-county region in Southern California, SCAG must update the Regional Transportation Plan (RTP) every three years. SCAG faces many challenges in developing its regional transportation plan (RTP) which will address the years 2006 through 2030. One such challenge involves coordinating the input of the many constituent groups in a manner that reflects the regional vision of the transportation system while also addressing local concerns. In a region as large and diverse as the SCAG region (which surpasses the population of many states), this is a major undertaking. Without such coordination and collaboration among SCAG's many constituent groups, however, the RTP would not serve its purpose—it would fail in its objective to provide a strategic direction for transportation investments for the next 20 years and more.

Another challenge in updating the RTP is the state of transportation funding or lack thereof. Traditional funding sources, including the gas excise tax and local sales taxes dedicated to transportation improvements, where applicable, are barely meeting our existing commitments for capital improvements as well as operation and maintenance of our system. Passage of Proposition 42 by the voters to dedicate sales tax on gas tax for transportation improvement purposes was expected to provide much needed relief in the shortage of transportation funding until this budget year. Prop 42 funds have been suspended. Although the governor's recent proposal calls for refunding a portion of the Proposition 42 revenue, the long term outlook is still very much uncertain.

Another challenge that is increasingly gaining focus and attention across the board and at all levels is in the arena of goods movement. Over the next 20 plus years, traffic through our ports is expected to triple or even quadruple by some account. Our roadway capacity as well as our railway capacity are expected to be taxed to the limit. Cost of expanding the necessary infrastructure to accommodate the impending growth is enormous, particularly considering the potential environmental mitigation needs associated with goods movement activities.

While weighing these challenges, SCAG's RTP must carefully consider the costs to the region of all transportation options and the available revenue stream to support these projects and programs. The adopted RTP must include a financial plan to cover any revenue shortfalls including feasible strategies for new or increased revenue

sources. In accordance with the Transportation Conformity Rule, regional long-range transportation plans (RTPs) for non-attainment and maintenance areas must be fiscally constrained in order to be found in conformity. Fiscal constraint is a demonstration that there will be sufficient funds to implement proposed improvements and to operate and maintain the entire system by comparing costs with available financial resources.

In order to tackle these challenges, the scope identifies four major components. The first component identifies work related directly to the development of the RTP, including technical and policy work associated with development and presentation of options or alternatives to the policy makers to consider towards adoption of the next RTP. The remaining three components entail developing a financial plan for the next RTP, including identification of new revenue sources/financing techniques as appropriate and structuring of a feasible framework for implementing recommended financial strategies. In particular, emphasis will be placed on innovative financing initiatives for the region's goods movement system.

The ultimate work product resulting from this effort is the next RTP that enjoys the general consensus of the stakeholders, meets the system performance goals and objectives set forth by the Regional Council, identifies the necessary funding mechanisms and framework for implementing the transportation improvements, particularly improvements associated with the goods movement system, and last but not the least, meets all the regulatory and statutory requirements including positive conformity findings.

Contract Amount:	Total not to exceed		\$1,279,684
	System Metrics Group, Inc. (Prime)		
	Gill V. Hicks & Associates, Inc. (Subcontractor)		\$32,000
	George Fetty & Associates, Inc. (Subcontractor)		\$135,000
	Franklin Hill Group (Subcontractor)		\$153,998
	Public Financial Management, Inc. (Subcontractor)		\$277,056
	Dr. Brian D. Taylor (Subcontractor)		\$70,080
	Leachman & Associates, LLC (Subcontractor)		\$40,000
	Cambridge Systematics, Inc. (Subcontractor)		\$89,842
	Citigroup Technologies Corp. (Subcontractor)		\$50,061

Contract Period: August, 2005 through June 30, 2007

Work Element: 06-010.SCGC1 \$150,000 Funding Sources: Consolidated Planning Grant – FHWA & FTA

06-015.SCGC1 \$85,000 Funding Sources: Consolidated

06-015.SCGC2	\$305,000	Planning Grant – FHWA & FTA Funding Sources: Consolidated Planning Grant – FHWA & FTA
--------------	-----------	---

07-XXX.XXXX	Funding Sources: Consolidated Planning Grant – FHWA & FTA- subject to approval of SCAG's 06/07 OWP.
-------------	--

Request for Proposal: RFP 06-017-C1 was mailed to 287 consultants, was posted on the California State Contracts Register web site, American Planning Association web site, Lawley Publications web site, and was posted on the SCAG web site. There was one respondent to the Request for Proposal.

System Metrics Group, Inc. (8 subcontractors) Gill V. Hicks & Associates, Inc. George Fetty & Associates, Inc. Franklin Hill Group Public Financial Management Dr. Brian D. Taylor Leachman & Associates Cambridge Systematics, Inc. Citigroup Technologies Corp	\$1,279,684
--	-------------

Selection Process: The Proposal Review Committee (PRC) evaluated the proposal in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations. An interview was conducted with the Consultant that submitted the proposal.

The PRC was comprised of the following individuals:

David Sosa, Chief, Regional Planning Branch, Caltrans District 7
 Rich Macias, Manager of Transportation & Planning Section, SCAG
 Naresh Amatya, Lead Regional Planner, SCAG
 Nancy Pfeffer, Acting Lead Regional Planner, SCAG
 Annie Nam, Acting Lead Regional Planner, SCAG

Basis for Selection: The PRC unanimously recommends the team led by System Metrics Group, Inc. for award of this contract because of the team's depth and breadth of expertise, a proven track record that will allow the Consultant to complete this project successfully as demonstrated through past performance, their proposal, and their interview with the PRC.

Although System Metrics Group, Inc. submitted the only proposal, they presented a very strong proposal that was responsive to the RFP, demonstrated a clear understanding of the process and the issues

involved, and provided a clear approach to successful delivery of the project. Based on the proposal review and the interview, the PRC gave the System Metrics Group, Inc. team a very high average rating of 93 out of a possible 100 points.

The System Metrics Group, Inc. is a proven leader in the transportation policy analysis area with extensive expertise in the development and application of transportation system performance measures. They have clearly demonstrated a superb understanding of the process and the issues involved in updating a Regional Transportation Plan. Above all, they are highly adept at translating complex technical information into actionable policy choices and options for the decision-makers to act upon.

The System Metrics Group, Inc. recognizes the significance of goods movement and finance in the upcoming RTP Update. In response, they have assembled a team that includes Cambridge Systematics, Gill V. Hicks, and Leachman and Associates, all of which are national leaders in the goods movement arena. In the finance area, the team includes Public Finance Management, who has not only assisted public agencies across the nation in formulating financial plans, but also assisted in successfully implementing innovative finance mechanisms and programs. Furthermore, the System Metrics Group, Inc. team includes Professor Brian Taylor, who is an authority on user fee based financing for transportation system improvements.

Lastly, due to the complex nature of the transportation planning process, flexibility and the team's ability to adapt quickly to changing conditions and priorities while staying on top of the schedule is critical to the success of this project. The team demonstrated adequately to the satisfaction of the PRC that they have the necessary capability to adapt quickly to changing needs and situations. Furthermore, the team has been thoughtfully assembled to ensure adequate redundancy and backup support to ensure every component identified in the RFP is adequately and satisfactorily completed and delivered within the available budget and time frame.

CONSULTANT CONTRACT

Consultant: Fregonese Calthorpe Associates (FCA)

Scope: The Compass Vision and 2% Strategy have resulted in a new planning framework for southern California's future and a new perspective on how local decision-makers can make planning choices that have tremendous value to both individual communities and the region as a whole. The multi-year, collaborative Compass work program has resulted in numerous work products (see www.socalcompass.org), formed the basis for the 2004 Regional Transportation Plan (RTP) Preferred Plan, and will continue to change the climate for regional planning and cooperation throughout the SCAG region. SCAG has developed tools and resources to assist cities and counties as they plan for a better future for all southern Californians.

The challenge now through June 2007 is to further integrate the Compass Vision and 2% Implementation Strategy into local planning efforts to ensure its substantial local, subregional and regional benefits are realized. Further, as SCAG enters into the 2007 Regional Transportation Plan (RTP) cycle, we must refine the Compass regional growth policies and merge the local implementation opportunities in the 2% Strategy areas with the development of the 2007 RTP Growth Forecast. This includes producing socioeconomic projections and developing, refining and maintaining SCAG's regional and small area forecasting models. Using the base year socioeconomic forecasts, the Forecasting work program develops future forecasts in 5-year intervals. These forecast numbers are used by SCAG's Modeling section to forecast travel demand and air quality for planning activities such as the Regional Transportation Plan (RTP), the Air Quality Management Plan (AQMP), Regional Transportation Improvement Program (RTIP), and the Regional Housing Plan.

(see <http://www.scag.ca.gov/forecast/downloads/forecastreport2004.pdf> for details of the 2004 RTP Forecast process and variables)

To supplement the Planning and Policy Department Community Development Division work efforts, SCAG is seeking consultant assistance to integrate these inter-related planning efforts to meet the requirements of the 2007 RTP growth forecasting process, including the assistance in the development of the socioeconomic data sets for 2007 RTP/EIR, the continued implementation of the Compass 2% Strategy program and the development and implementation of additional tools and resources for the Compass 2% Strategy. The key components include:

- A. Compass 2% Strategy refinement, implementation, consensus building and program marketing, including further development of the SCAG subregional program
- B. Develop partnerships with local governments, developers, non-profits, banking industry, etc. to initiate and complete 25-30 Demonstration Projects throughout the SCAG region
- C. Develop a web-based interactive data and mapping tool for 5 counties similar to and compatible with the existing LA LOTS program
- D. Assist SCAG staff in the development of the 2007 Growth Forecast including growth projections without regional policy input and growth projections and growth alternatives with regional policy input

Contract Amount:	Total not to exceed	\$2,683,699
	Fregonese Calthorpe Associates (Prime)	\$891,162
	Planning Center (Subcontractor)	\$820,143
	IBI Group (2 nd tier Subcontractor)	
	Susan Desantis Consulting (2 nd tier Subcontractor)	
	LandTrans (Subcontractor)	\$32,500
	California Economy Center (Subcontractor)	\$94,044
	UCLA Center for Neighborhood Tech. (Subcontractor)	\$213,400
	Solimar (Subcontractor)	\$164,723
	Arellano Associates (Subcontractor)	\$351,612
	Kimley-Horn Associates (Subcontractor)	\$49,950
	Urban Insight (Subcontractor)	\$39,994
	EcoInteractive (Subcontractor)	\$26,171
	System Metrics (Subcontractor)	\$0.00
	(FCA anticipates collaboration, as needed, with System Metrics, Inc. who has been awarded the contract for RFP No. 06-017-C1. There is no additional budget required for this collaboration as it is to be funded through Contract No. 06-017-C1.	

Contract Period: August, 2005 through June 30, 2007

Work Element:	06-050.SCGC1	\$350,000	Funding Sources: Consolidated Planning Grant – FHWA & FTA
	06-055.SCGC1	\$200,000	Funding Sources: Consolidated Planning Grant – FHWA & FTA

Components A, B and D will be partially funded under the current budget. Component C will not be funded until additional funds are made available.

06-XXX.XXXX	\$2,133,699	Funding Sources: Consolidated Planning Grant – FHWA & FTA-subject to approval of SCAG's 06/07 OWP
-------------	-------------	---

Request for Proposal: RFP 06-021 was mailed to 346 consultants and was posted on The Urban Transportation Monitor's website (lawleypublications.com), American Planning Association's website, and SCAG's website. The following consultant(s) responded to the Compass 2% Strategy Implementation, Integration with Growth Forecasting, and Input to the 2007 RFP Update Request for Proposal:

Fregonese Calthorpe Associates (12 Subcontractors) \$2,683,699
Planning Center (Subcontractor)
 IBI Group (2nd tier Subcontractor)
 Susan Desantis Consulting (2nd tier Subcontractor)
LandTrans (Subcontractor)
California Economy Center (Subcontractor)
UCLA Center for Neighborhood Tech. (Subcontractor)
Solimar (Subcontractor)
Arellano Associates (Subcontractor)
Kimley-Horn Associates (Subcontractor)
Urban Insight (Subcontractor)
EcoInteractive (Subcontractor)
System Metrics (Subcontractor)

Selection Process: The Proposal Review Committee (PRC) evaluated the proposal in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations. An interview was conducted with the Consultant that submitted the proposal.

The PRC was comprised of the following individuals:

Lynn Harris, Manager, Community Development, SCAG
Keith Killough, Director, Information Services, SCAG
Miles Mitchell, Senior Management Analyst, City of Los Angeles
Bev Perry, City Clerk, City of Brea
David Sosa, Chief, Regional Planning Branch, Caltrans District 7

Basis for Selection: The PRC unanimously recommends the team led by Fregonese Calthorpe Associates (FCA) for award of this contract because of the team's depth and breadth of expertise, a proven track record that will allow the consultant to complete this project successfully as demonstrated through past performance, their proposal, and their interview with the PRC.

Although FCA submitted the only qualified proposal, they presented a very strong proposal that was responsive to the RFP, demonstrated a clear understanding of the process and the issues involved, and provided a understandable approach to successful delivery of the project. Based on the proposal review and the interview, the PRC gave the Fregonese Calthorpe Associates team a very high average rating of 93 out of possible 100 points.

FCA is a national leader in linking growth, land use and transportation. They have a proven track record developed through prior Compass work programs and have earned the respect of SCAG staff, committee members and countless others who have been involved in the program over the past several years. Furthermore, they assembled a team of that includes experts in all the necessary disciplines to meet the goals stated in the RFP. The Planning Center brings a respected local planning firm that has earned the respect of countless SCAG member cities through current and past projects of considerable scale. California Economic Forecast develops annual forecasts for each of the 58 counties in California which are respected and used by professionals throughout the State. Solimar Research and IBI Group have produced many successful subregional Compass work products and bring valuable insight into local issues. Arellano Associates brings considerable marketing, consensus building and conflict resolution experience to a process that has traditionally produced multiple points of view prior to reaching agreement. In addition, the team includes many firms with niche specialties that will ensure quality work products and successful project completion.